

2005 Wisconsin Form 3S-ES and Instructions – Partnership Estimated Recycling Surcharge

GENERAL INSTRUCTIONS

Purpose of Form

Partnerships, including limited liability companies treated as partnerships, use the 2005 Form 3S-ES to make estimated recycling surcharge payments for taxable years that begin in 2005. Included are 5 vouchers to submit when making estimated payments. If you receive an extension of time to file your return, use the 5th voucher for making an estimated recycling surcharge payment by the unextended due date of the return.

Federal Employer Identification Number

Enter the partnership's federal employer identification number (EIN). If you have not yet applied for a federal EIN, you may do so by filing federal Form SS-4 with the Internal Revenue Service, calling (800) 829-4933, or applying online at www.irs.gov.

Who Must Pay Estimated Recycling Surcharge

Partnerships must make estimated surcharge installment payments unless one of the following exceptions applies:

- The recycling surcharge for the taxable year that begins in 2005 will be less than \$200.
- The taxable year that began in 2004 was a taxable year of 12 months and the partnership did not have any recycling surcharge liability for the taxable year that began in 2004.

When to Pay Estimated Recycling Surcharge

In general, the first estimated recycling surcharge payment is due the 15th day of the 4th month of the taxable year and is equal to 1/4 of the total estimated surcharge due (1/4 of the amount on Schedule A, line 4). The payment amounts and due dates for a calendar-year partnership that first meets the filing requirements after March 31 are as follows:

If the requirement is met after:	Payment is due:
March 31 and before June 1	June 15
May 31 and before September 1	September 15
August 31	January 17

If the first payment required to be made is due

June 15, enter 1/2;
September 15, enter 3/4;
January 17, enter all

of the estimated recycling surcharge due (Schedule A, line 4) on Schedule B, line 2, in the appropriate column.

Exceptions to this general rule are as follows:

- A calendar-year partnership that files its 2005 recycling surcharge return by January 31, 2006, and pays the entire balance due, does not have to make the last estimated recycling surcharge payment due January 17, 2006.
- If at least two-thirds of the partnership's gross income for 2004 or 2005 is from farming or fishing, the partnership may –
 - pay its 2005 estimated recycling surcharge by January 17, 2006, or
 - file its 2005 recycling surcharge return on or before March 1, 2006, and pay the total amount due. In this case, it does not need to make estimated recycling surcharge payments for 2005.
- Partnerships filing returns on other than a calendar-year basis should substitute the 15th day of the 4th, 6th, and 9th months of the taxable year and the 1st month following the end of the taxable year for the payment due dates of April 15, June 15, September 15, and January 17, respectively. Likewise, the last day of the 3rd, 5th, and 8th months should be substituted for March 31, May 31, and August 31, for purposes of determining when the filing requirement is first met.

Short Taxable Year

No estimated surcharge installment is required if the short taxable year is a period of 1 month or less. If the short taxable year is more than 1 month, installments are due as shown:

Number of Months in Short Taxable Year	Number of Required Installments	Installment Due Dates
2-3	1	D
4-6	2	A D
7-9	3	AB D
10-11	4	ABCD

- A = the 15th day of the 4th month of the taxable year
B = the 15th day of the 6th month of the taxable year
C = the 15th day of the 9th month of the taxable year
D = the 15th day of the 1st month after the end of the taxable year

New Partnerships

The first return filed by a partnership is considered to cover an entire 12-month period for purposes of determining estimated recycling surcharge installment due dates, even though the partnership's first year of Wisconsin operations may cover less than 12 months.

The portion of the estimated recycling surcharge due for each payment period varies, depending on the number of installments required. If 3 installments are required, 1/2 of the estimated recycling surcharge is due for the first installment and 1/4 is due for each of the 2 remaining installments.

For example, a new partnership, which begins operations in Wisconsin on April 1, 2005, and which elects to file returns on a calendar-year basis, will be required to make 3 installment payments due June 15, September 15, and January 17. If this new partnership's 2005 estimated recycling surcharge is \$4,000, \$2,000 would be due June 15 and \$1,000 would be payable for each of the installments due September 15 and January 17.

Amended Installments

If the original estimate of recycling surcharge liability is materially altered, you should amend remaining installment payments to reflect the change in estimated surcharge liability. Complete column B of Schedule A to compute your amended estimated surcharge and Schedule C to compute your amended installments due.

Determine the amount to enter on Schedule C, line 6, as follows:

- a. If all 4 installments are being amended, enter 1/4 of Schedule C, line 4, for all 4 periods.
- b. If only the last 3 installments are being amended, enter 1/2 of Schedule C, line 4, on line 6 for the first amended installment and 1/4 for each of the last 2 installments.
- c. If only the last 2 installments are being amended, enter 3/4 of Schedule C, line 4, for the first amended installment and 1/4 for the last installment.
- d. If only the last installment is being amended, enter all of Schedule C, line 4, on line 6.

Interest on Underpayment of Estimated Recycling Surcharge

If a required installment is not paid by its due date, 12% annual interest may be imposed. The interest is computed on the underpayment of each installment for the period of the underpayment. Use Form 3U to determine the amount of any underpayment interest.

The period of the underpayment is the time from the due date of the installment to the earlier of either the date on which it is paid or the 15th day of the 4th month after the close of the taxable year.

Interest charged for underpayment of estimated recycling surcharge will be increased or decreased based on any changes made to the surcharge originally reported.

Underpayment interest will not be due if each required payment is timely and the total surcharge paid is one of the following amounts:

- a. At least equal to 90% of the amount of surcharge shown on the 2005 partnership recycling surcharge return filed.
- b. 100% of the recycling surcharge shown on the 2004 return (a 2004 return must have been filed covering a full 12-month year).
- c. At least equal to 90% of the recycling surcharge figured by annualizing the net business income earned for the months ending before the due date of the installment.

Refunds of Estimated Recycling Surcharge Payments

If your installment payments exceed the recycling surcharge liability for 2005, the overpayment may be refunded or all or part may be credited to your 2006 estimated recycling surcharge with any remainder being refunded.

Where to Obtain Assistance

If you need help, visit the Department's web site at www.dor.state.wi.us, e-mail income@dor.state.wi.us, call (608) 266-2772, or contact any Department of Revenue office.

PAYMENT INSTRUCTIONS

You may make estimated recycling surcharge payments using electronic funds transfer (EFT). If making estimated payments by EFT, do not complete and submit Form 3S-ES. For more information and registration forms, visit the Department's web site at www.dor.state.wi.us/eserv/eftgen.html, e-mail eft@dor.state.wi.us, call (608) 264-9918, or write to the EFT Unit, Wisconsin Department of Revenue, Mail Stop 330B, P.O. Box 8912, Madison, WI 53708-8912. For EFT payments of estimated recycling surcharge, enter the last day of your **taxable year**, not the last day of the quarter, for which the payment is being made.

Otherwise, make your check payable to the Wisconsin Department of Revenue, and mail your estimated surcharge voucher and payment to:

**Wisconsin Department of Revenue
Box 93194
Milwaukee, WI 53293-0194**

Do not mail your 2005 estimated recycling surcharge voucher with your 2004 partnership return. They are to be mailed to different locations.

Schedule A Computation of Estimated Recycling Surcharge		(A) Original Computation	(B) Amended Computation
1	Amount of total estimated net business income expected in taxable year that begins in 2005		
2	Percentage of line 1 attributable to Wisconsin		
3	Amount of estimated net business income attributable to Wisconsin (multiply line 1 by line 2)		
4	Recycling surcharge (the greater of \$25 or 0.2% of income on line 3, but not more than \$9,800)		

Schedule B Computation of Installments Due		Installment Number			
		1	2	3	4
1	Enter in columns 1 through 4 the installment due dates that correspond to the 15th day of the 4th, 6th, and 9th months of the taxable year and the 1st month after the end of the taxable year.				
2	If 4 installments are due, enter in each column 1/4 of Schedule A, line 4, column A. If less than 4 installments are due, see instructions under "When to Pay."				
3	Enter any overpayment from your 2004 Form 3S (apply first to col. 1 and carry any unused balance to col. 2, then col. 3, etc.).				
4	Installment amount (subtract line 3 from line 2). Enter here and on installment vouchers.				

Schedule C Computation of Amended Installments Due				
1	Enter amended recycling surcharge (from Schedule A, line 4, column B)			
2	Enter: a Amount of overpayment from 2004 Form 3S offset against installments paid to date	a		
	b Amount of payments made to date	b		
3	Total of payments and credits claimed to date (add line 2a and line 2b)			
4	Unpaid balance (subtract line 3 from line 1)			
5	Enter the due dates of remaining installments due (from Schedule B, line 1)			
6	To determine the portion of line 4 to enter for each remaining installment, see instructions under "Amended Installments"			
7	Enter the balance of 2004 overpayment – total overpayment credited from 2004 Form 3S less amount entered on line 2a above (apply first to next installment due and carry any unused balance to the next installment due, etc.)			
8	Amended installments due (subtract line 7 from line 6)			
Schedule D Record of Payments				
				Total
1	2004 overpayment from Form 3S			
2	Date paid			
3	Amount paid	+	+	+
4	Total 2005 payments (add line 1 and line 3)		=	

Keep Schedules A Through D for Your Records